

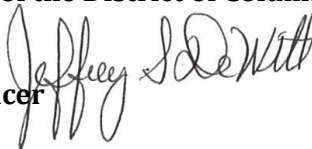
Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** October 25, 2016

**SUBJECT:** Fiscal Impact Statement – “Vacant Property Enforcement Amendment Act of 2016”

**REFERENCE:** Bill 21-598, Committee Print provided to the Office of Revenue Analysis on October 25, 2016

---

**Conclusion**

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

**Background**

The bill makes changes to the way the District enforces vacant and blighted property designations.

Currently, the Department of Consumer and Regulatory Affairs inspects designated vacant or blighted property every six months to determine if it is still vacant or blighted. The bill maintains the vacant or blighted designation until the property owner submits sufficient information to the Mayor to change the classification. This eliminates the requirement for inspections every six months.

If an uninhabited property is undergoing active construction, renovation or repair, with a valid building permit, the owner is exempt from registering the property as a vacant property. The bill clarifies that the allowable time for the exemption begins on the issue date of the initial building permit and ends one year later for a residential building and two years for a commercial project.

The bill increases from \$1,000 to \$5,000 the fine for failing to comply with certain vacant building registration requirements. The bill requires that DCRA publish twice a year a list of blighted or vacant properties and those qualifying for an exemption.

The Honorable Phil Mendelson

FIS: "Vacant Property Enforcement Amendment Act of 2016," Bill 21-598, Committee Print provided to the Office of Revenue Analysis on October 25, 2016.

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. There are no cost savings by eliminating the requirement to verify vacant status every six months. Instead, DCRA intends to utilize the additional inspector availability on other types of inspections. The bill may increase fine revenue, but it is likely to be small. The exact amount cannot be determined at this time.